



Natural Resources Conservation Service

# An Overview of Easement Programs



Restored wetland in St. Lawrence County, New York, four years later.





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# Easement Programs Division

- **New Division created under FY 2004 NRCS Reorganization to manage NRCS Easement Programs and Portfolio**
- **Consists of two Branches - Easement Programs Branch and Easement Support Branch**



## Easement Programs Division

- **Easement Programs Branch:** Responsible for developing National program specific policy, implementing programs, developing budget and allocation materials, training State program managers
- **Easement Support Branch:** Responsible for coordinating policy and legal issues across multiple easement programs, including appraisals, title issues, ecological management, and easement enforcement



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# Assigned Programs

## **Discretionary Programs**

- Emergency Watershed Protection Floodplain Easements
- Healthy Forest Reserve Program

## **Mandatory Programs**

- Wetlands Reserve Program
- Farm and Ranch Lands Protection Program
- Grassland Reserve Program
- Conservation Reserve Program (technical assistance)



## Authorities

- **Soil Conservation and Domestic Act of 1935 and Food Security Act of 1985 – Conservation Technical Assistance**
- **Food Security Act of 1985, as amended – CRP, FRPP, GRP, WRP**
- **Federal Agriculture Improvement and Reform Act of 1996 – Floodplain Easements**
- **Farmland Protection Policy Act of 1981**
- **Federal Agriculture Improvement and Reform Act of 1996**
- **Healthy Forest Restoration Act of 2003**



## Responsibilities

- **Developing National program specific policy, implementing programs, developing budget and allocation materials, training State program managers**
- **Coordinating policy and legal issues across multiple easement programs, including appraisals, title issues, ecological management, and easement enforcement**



# Easement Programs

## **Allow Continued Agricultural Use**

- Grassland Reserve Program (GRP) – Easements and Rental Agreements
- Farm and Ranch Lands Protection Program (FRPP) – Easements, (Contingent Right) Held by the United States



# Easement Programs

## Restrict Agricultural Use

- Wetlands Reserve Program (WRP) – Easements and restoration cost-share agreements
- EWP-Floodplain Easement Program (FPE) – Permanent easements only
- Conservation Reserve Program (CRP) – Rental agreements





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# Grassland Reserve Program (GRP)

Establishes a reserve of restored, improved or natural grasslands, rangeland and pastureland while allowing lands to be grazed





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- GRP has reached the statutory spending limit of \$254 million for FY 2002 – 2007
- Provides for 10, 15, 20, and 30-year rental agreements and 30-year and permanent easements
- For FY 2003 through 2006, over 3,000 ranches have been enrolled in GRP, encompassing 910,000 acres
- GRP is administered jointly by NRCS and FSA – NRCS has lead responsibility for conservation planning and easement administration.



## How GRP Works

- Continuous sign-up - applications may be submitted to USDA Service Center at any time
- Limit future use of the land while retaining the right to graze, produce hay, mow or harvest for seed production (subject to nesting season restrictions for certain bird species)
- Easements held by the United States



## Eligible Lands

- Grassland or land that contains forbs or shrubs
- Land located in an area that historically has been dominated by grassland, forbs, and shrubs and has the potential to provide habitat for animal and plant populations of significant ecological value
- Incidental lands may also be enrolled; and
- Lands owned by individuals who do not exceed \$2.5 million for the 3 tax years immediately preceding the year the contract is approved (except in cases where 75% of the AGI is derived from farming, ranching, or forestry operations)



# Enrollment Options

- Permanent Easement: Based on the appraised fair market value, less the grazing value
- 30-year Easement: Easement payment equal to 30% of fair market value, less the grazing value
- Rental Agreement: Annual payments not to exceed 75% of the grazing value of the land for the life of the agreement
- Restoration Agreement: 90% cost-share for lands that have never been cultivated; 75% on restored grasslands (in-kind contributions allowed)



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# Farm and Ranch Lands Protection Program (FRPP)

- Protects topsoil by limiting non-agricultural uses of the land
- Provides matching funds to State, Tribal and local governments and nongovernmental organizations to purchase permanent conservation easements
- Since 1996, FRPP has enrolled 257,099 acres, protecting 1,217 farms





# FRPP Eligible Lands

- Cropland, rangeland, grassland, and pasture land, as well as wetlands and incidental (less than 50 percent) forest land that are part of an agricultural operation
- Farms or ranches must be privately owned and contain:
  - at least 50% of prime, unique, or statewide or locally important soil, or
  - a historical or archaeological resource on the State or National Register, or formally eligible for the National Register



- Eligible land must be owned by landowners who certify that they do not exceed the Adjusted Gross Income limitation eligibility requirements
- Subject to a pending offer – defined as a willing seller and willing buyer, with cash or donations in hand at the time of application





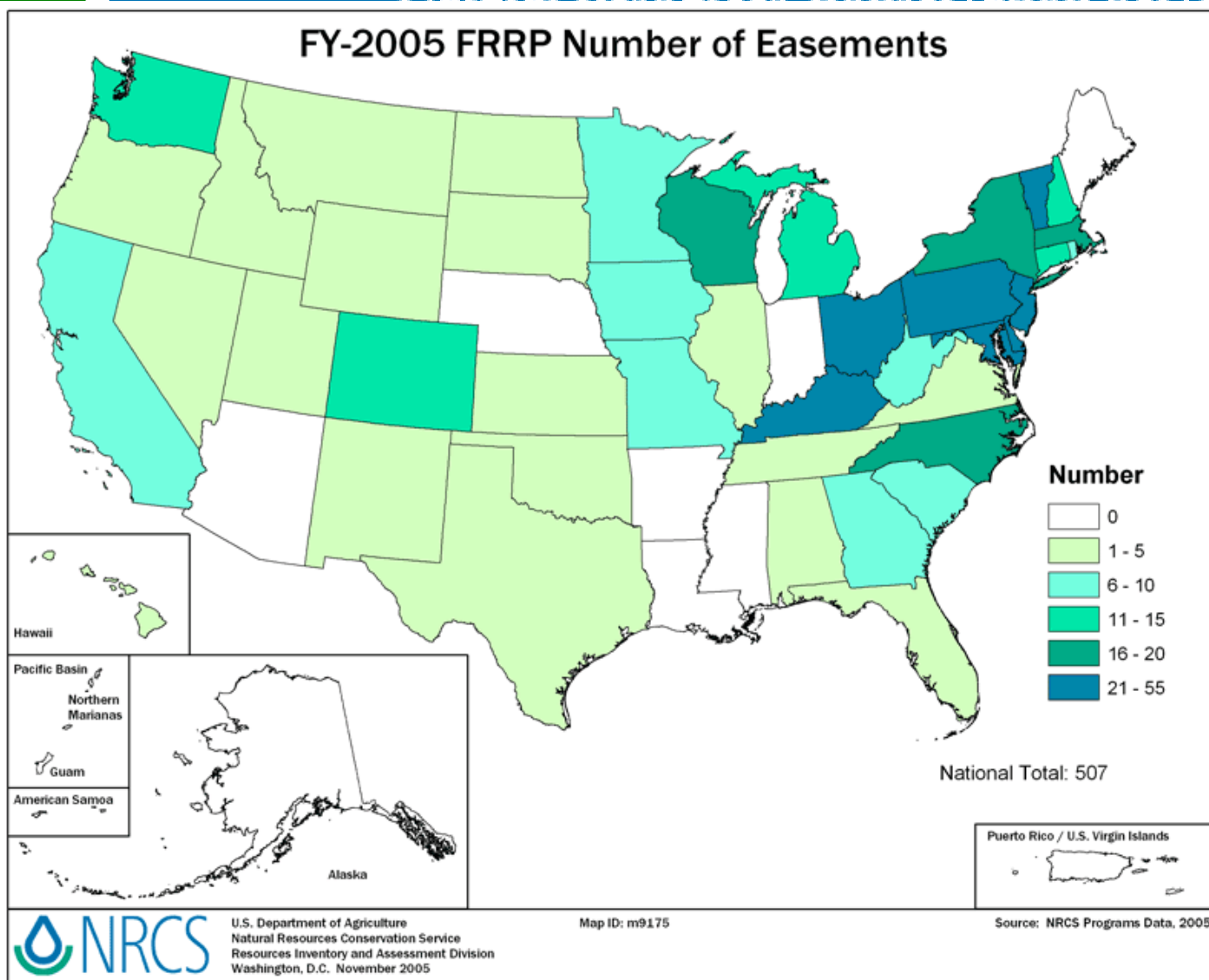
## How FRPP Works

- NRCS uses a public notice process to request FRPP applications from eligible governmental entities and non-governmental organizations
- During the application window, eligible entities submit parcels that they would like to protect
- At the State level, NRCS funds applications that meet FRPP national and State criteria.
- Easements are held by the cooperating entity



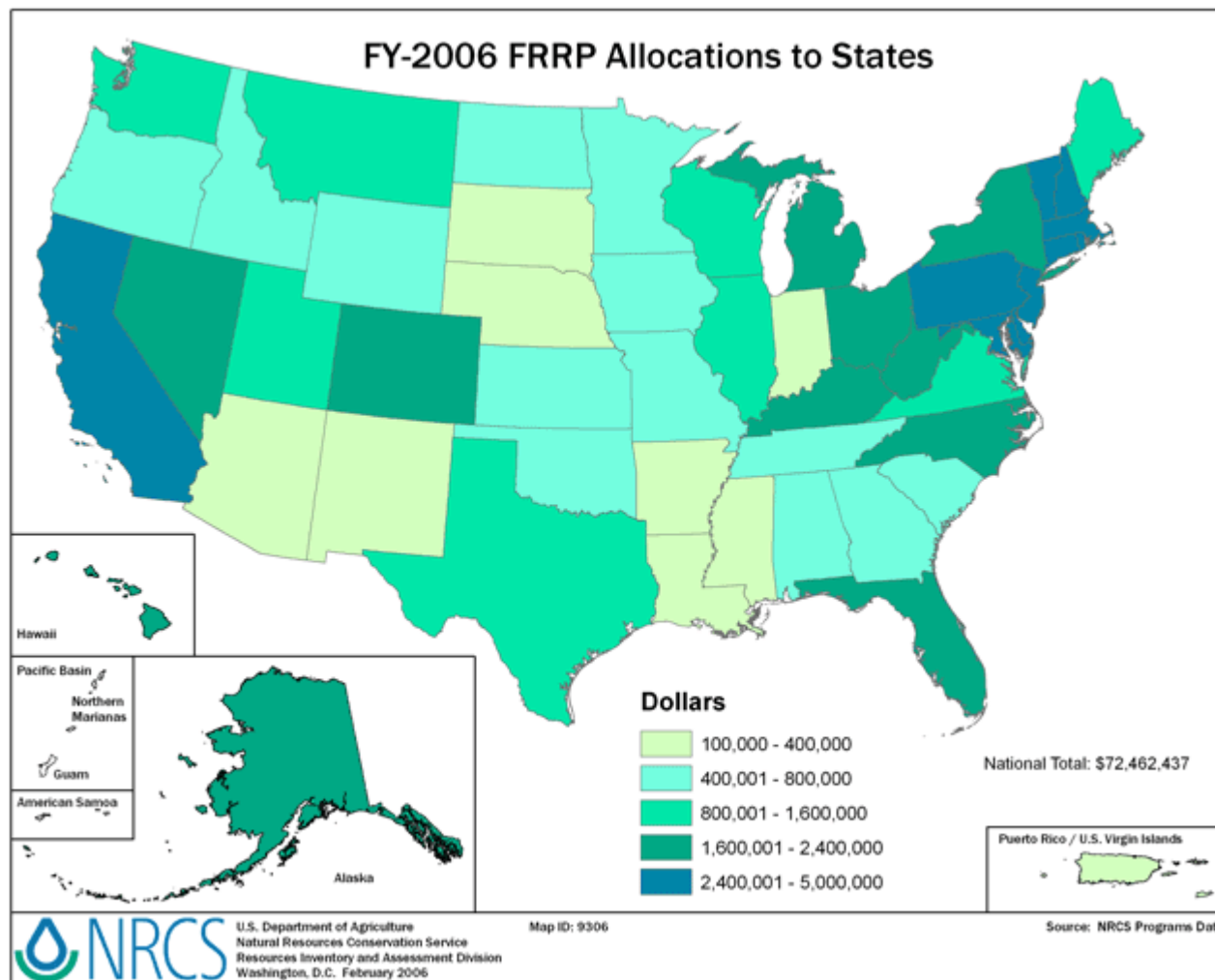
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## FY-2005 FRRP Number of Easements





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# Wetlands Reserve Program (WRP)

- Restore and protect wetlands on the agricultural landscape
- Create habitat for migratory birds & wetland dependent wildlife
- Provide producers a viable option for marginal lands
- Since 1992, WRP has restored and protected 1.6 million acres



*Photo of wood ducks by Tim McCabe, former SCS photographer*



## WRP Land Eligibility

- Land must be restorable and suitable for wildlife benefits
- Wetlands cleared and/or drained for farming, pasture, or timber production;
- Previously restored wetlands that lack long-term protection
- Drained wooded wetlands where hydrology will be restored
- Certain riparian areas and lands substantially altered by flooding



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## How WRP Works

- **Landowners and Tribes may file an application for a conservation easement or cost-share restoration agreement to restore and protect wetlands**
- **Participants voluntarily limit future land use, but retain private ownership**
- **Easements are held by the United States**



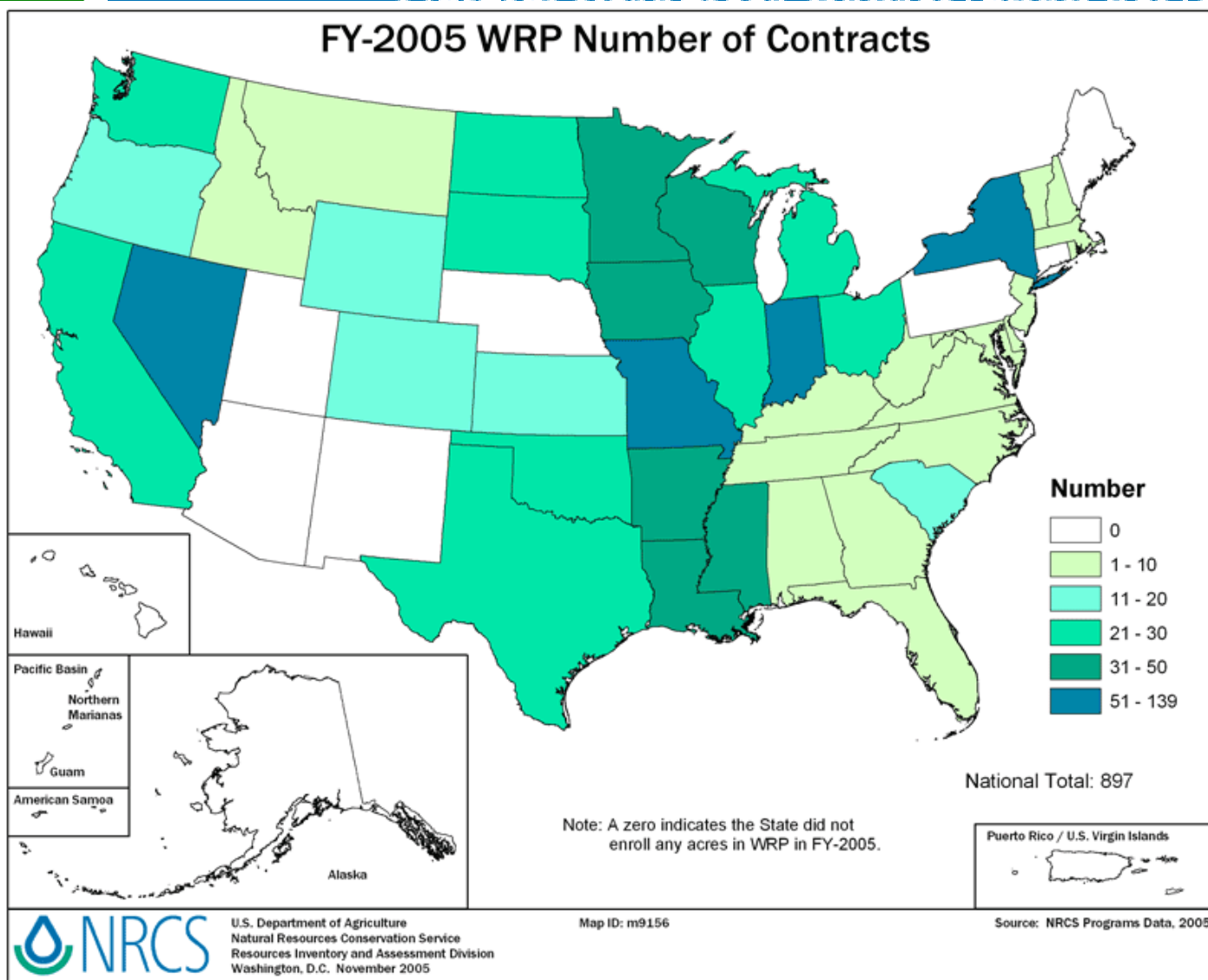
## WRP Enrollment Options

- Permanent Easement: Easement payments equal the lowest of 3 amounts: ag value, an established payment cap, or an amount offered by the landowner. USDA pays all restoration costs
- 30-year Easement: Easement payment equal to 75% of permanent easement. USDA pays 75% of restoration costs
- Restoration Agreement: (Generally no less than 10 years) USDA pays 75% of restoration costs



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## FY-2005 WRP Number of Contracts



Natural Resources Conservation Service  
Resource Assessment Division  
Washington, D.C. January 2005





# EWP Floodplain Easements

**Restore the natural features of the floodplain and provide relief to producers with frequently flooded agriculture land**





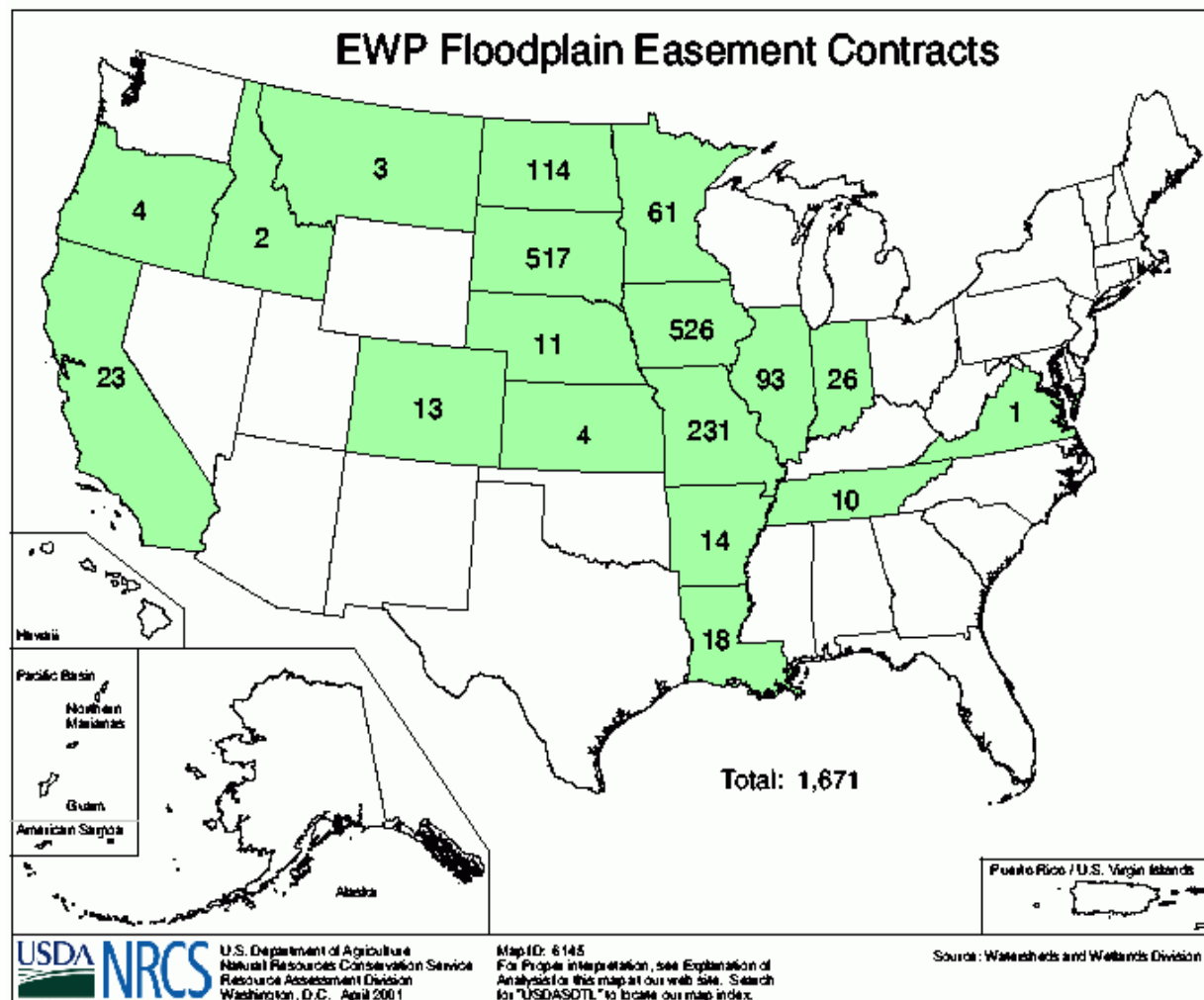
# Floodplain Easement Component of EWP

- **Established in 1996 under Public Law 104-127 (1996 Farm Bill) to provide for the purchase of floodplain easements as an emergency measure**
- **NRCS has enrolled 1,671 projects on 230,771 acres using EWP emergency appropriations**



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## Program Availability – Floodplain Easements





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# Conservation Reserve Program (CRP)

- **Enrollment cap is 39.2 million acres**
- **Current enrollment is 36.1 million acres on 732,000 farms nationwide**



## Conservation Reserve Program

- NRCS provides technical assistance to landowners and operators
- Determine land eligibility
- Developing conservation plans
- Monitors implementation of practices
- Maintenance of CRP acreage





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# Conservation Reserve Program

- **NRCS provides technical assistance for:**
  - General sign-up provision
  - Continuous sign-up provision
  - Conservation Reserve Enhancement Program (CREP)
  - Farmable Wetland Program
  - Re-Enrollments and Extension (2006)
  - Emergency Forestry Conservation Reserve Program(2006)



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### Other Continuous CRP (CCRP) Initiatives

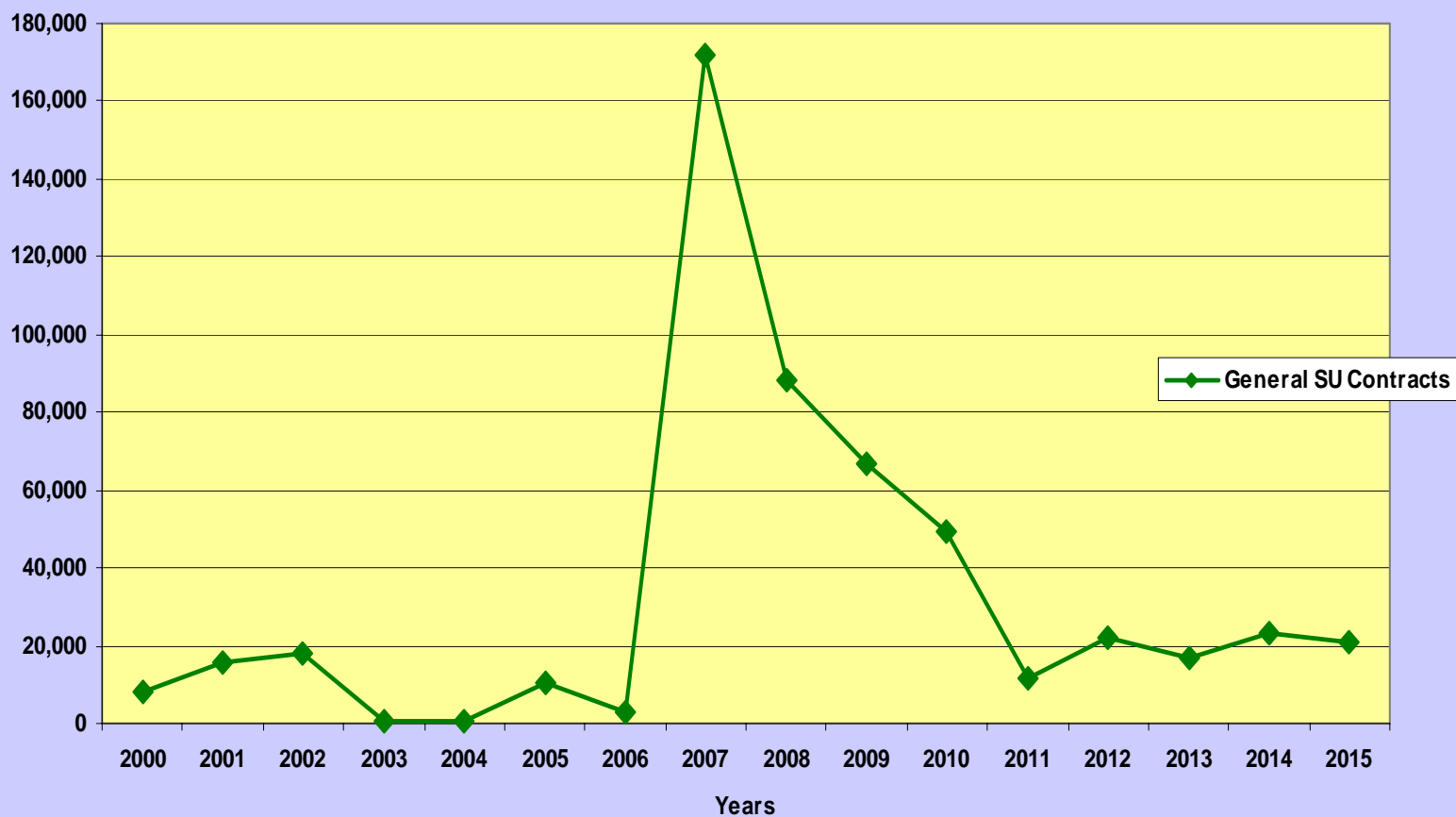
- Non-Floodplain Wetland Restoration Initiative
- Floodplain Wetland Restoration
- Bottomland Hardwood Tree Planting Initiative
- Habitat Buffers for Upland Birds (Northern Bobwhite Quail)





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CRP Contract Expiration by Number







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# *Healthy Forests Reserve Program*





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# *Progress in Implementing the Healthy Forests Reserve Program (HFRP)*

### *Overview*

The Healthy Forests Reserve Program (HFRP) is a voluntary program established for the purpose of restoring and enhancing forest ecosystems to: 1) promote the recovery of threatened and endangered species, 2) improve biodiversity; and 3) enhance carbon sequestration.

The HFRP was signed into law as part of the Healthy Forests Restoration Act of 2003. The program is authorized to be carried out from 2004 through 2008.



## *Progress in Implementing HFRP*

### ***Benefits***

Restoring and protecting forests contributes positively to the economy of our nation, provides biodiversity of plant and animal populations, and improves environmental quality.

Safe Harbor will be made available to landowners enrolled in the HFRP who agree, for a specified period, to restore or improve their land for threatened or endangered species habitat. In exchange, they avoid future regulatory restrictions on the use of that land protected under the Endangered Species Act.



## *Progress in Implementing HFRP*

### *How HFRP Works*

Applications may be filed with NRCS. Participants voluntarily enroll land in the HFRP and agree to develop a restoration plan. Restoration plans include practices necessary to restore and enhance habitat for species listed as threatened or endangered or species that are candidates for the threatened or endangered species list.

Technical assistance will be provided by NRCS to help owners in complying with the terms of restoration plans under the HFRP.



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# *Progress in Implementing HFRP*

*The program offers three enrollment options:*

- 1) A 10-year cost-share agreement; for which the landowner may receive 50 percent of the cost of the approved conservation practices,
- 2) A 30- year easement, for which the landowner may receive 75 percent of the market value of the enrolled land plus 75 percent of the cost of the approved conservation practices, or
- 3) An easement of not more than 99 years, for which landowners may receive 75 percent of the market value of the enrolled land plus the cost of the approved conservation practices.



## *Progress in Implementing HFRP*

### *Eligibility*

To be eligible for enrollment, land must be private land which will restore, enhance, or measurably increase the likelihood of recovery of a threatened or endangered species, must improve biological diversity, or increase carbon sequestration.



# Goals and Challenges

- **Effective management of an expansive conservation easement portfolio**
- **Providing field personnel with meaningful support throughout land transactions**
- **Sharing land stewardship responsibilities with partners despite differing objectives**